RRR
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The Israel-P.L.O. Accord

by Murray N. Rothbard

It is both ironic and no accident that, at long last and after nearly three decades, the government of Israel "has decided to recognize the P.L.O. as the representative of the Palestinian people," precisely at the time when this simple fact is no longer true. For a generation, while Yasser Arafat and the P.L.O. were the heart and soul of the Palestinian people, Israel demonized them as murderers, and put Jews in jail who dared to violate the legal ban on so much as talking to the P.L.O.

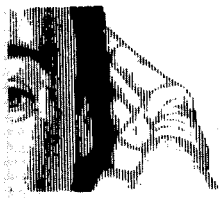
Saving Arafat.

The Rabin government has been hailed and lauded in the world media for its courage and nobility in speaking to, and making an agreement with, the P.L.O. But courage and nobility had little to do with it. For various reasons, the P.L.O. has been slipping badly in recent years, and Mr. Arafat's authority, once supreme over Palestinians, had eroded to such an extent that mass resignations were cropping up in the organization that once obeyed his orders without question. The major motivation of the Rabin government was to save Mr. Arafat, and Arafat, whose driving aim in recent years has been to gain world-wide respect as the leader of his people, virtually swooned into Israeli arms.

The P.L.O. suffered the fate of many exile organizations. Driven out of their Palestinian homeland, Arafat and his cadre gradually transformed themselves from refugees into powerhouses. But as they did so, they traveled ever farther, physically and spiritually, from their Palestinian homeland. As the long arm of Israeli force and diplomacy stretched ever further, Arafat and his men were driven out of Jordan, then out of Beirut, finally to settle in Tunis, totally out of the Middle East. In the meanwhile, the P.L.O. grew fat and sassy, fueled by a huge amount of combined conscience-money and hush-money contributed by the oil shiekhdoms of the Middle East. Arafat and his

(Cont. page 2, col. 3)

The motivation of the Rabin government was to save Mr. Arafat.



THE EAR

by Sarah Barton

The Cato crowd, filled with hatred and malevolence toward the two R's, is zooming Leftward at a remarkable rate. Beginning skeptical toward Nafta for example, Cato moved toward frantic support when they saw that the two R's opposed it, trying desperately to "explain" as the reason for this opposition that the two R's joined anti-Nafta leader Pat Buchanan in "homophobia." Say what? So hate-

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(THE EAR cont. from pg. 1)
soaked are the Catonics that they are actually denouncing the revered Henry Hazlitt as a "shill for Mises," after they read the second R's moving tribute to Harry.

Do the Catonics, at long last, have no sense of decency at all?

* * * * *

"The more noisy Negro leaders, by depicting all whites as natural and implacable enemies to their race, have done it a great disservice," wrote H.L. Mencken in *Minority Report*. "Large numbers of whites who were formerly very friendly to it, and willing to go to great lengths to help it, are now resentful and suspicious. The effort to purge the movies, the stage, the radio and the comic-strips of the old-time Negro types has worked the same evil. The Negro comic character may have engendered a certain amount of amiable disdain among whites, but he certainly did not produce dislike. We do not hate people we laugh at and with. His chief effect upon white thinking, in fact, was to spread the idea that Negroes as a class are very amiable folk, with a great deal of pawky shrewdness. This was to their advantage in race relations, but when the last Amos 'n Andy programme is suppressed the Negro, ceasing to be a charming clown, will become a manacing stranger, and his lot will be a good deal less comfortable than it used to be."

* * * * *

A cetain think-tank head seems to be Losing It. He has taken to slipping anonymous smear notes to his enemies. What's next for Fast Eddie? Will he become a Stalker, or invade David Letterman's house?

* * * * *

The Ear has reported before on the travails of Libertarian coin minter (and blond hunk) Conrad Braun. Here's the latest: Conrad finished serving his sentence for stalking and threatening to murder his ex-wife, but was arrested the moment he stepped out of the slammer. Now he's accused of stealing $5.5 million from his customers. The three employees of his Gold Standard Corporation in Kansas City resigned as a group and claimed to police that Conrad had taken customer funds and lost them in the commodities market, which they said he played by phone *from jail*. If found guilty, Conrad could be sentenced to 150 years in prison.

His ex-wife's family, who were terrified that Conrad would carry out his threat to "blow her brains out," cheered his arrest.

* * * * *

From a well-placed source in Memphis: Vincent Foster's wife Lisa (nee Braden), comes from Memphis, and her family still lives there. After the November election, a good friend asked Lisa's sister Kathy whether Lisa was excited about going to Washington. "No," Kathy replied, "because of Vincent's ten year affair with Hillary Clinton." So where's the intrepid press? Where's the subpoena power? ■

(ISRAEL-P.L.O. cont. from pg. 1)
men were playing on the world stage, and the concerns of the average Palestinian suffering under Israeli occupation became ever more abstract and remote. And as he sought world recognition and respectability, Arafat and the P.L.O. became increasingly more "moderate," ever more willing to abandon the original P.L.O. program of the return of all the Palestinian refugees to the land of their birth, and to settle for some sort of truncated mini-State rather than full Palestinian return.

The fist big change in P.L.O. status came in 1987 with the heroic *intifada*, the Palestinian uprising on the West Bank and Gaza Strip against the brutal Israeli occupation, an uprising conducted by sticks, stones and fervor against far superior Israeli arms. Contrary to myth, the *intifada* was *not* a P.L.O. operation; on the contrary, it was a spontaneous uprising of the Palestinian people that puzzled the P.L.O. The *intifada* gave rise to brand new leadership, leadership that was genuinely militant and rooted in Palestinian concerns, and that had no particular use for respectability at the United Nations or in the *New York Times*.

There had long been deep opposition within the P.L.O., opposition by militant "rejectionists" who scorned Arafat's compromises and sellouts. Most of them, however, were Marxists or small terrorist groups with little popular support (e.g. Dr. George Habash's Popular Front for the Liberation of Palestine; Nayaf Hawatmeh's Popular Democratic Front for the

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Liberation of Palestine, Ahmed Jabril's PFLP-General Command, and the Abu Nidal group). Because of his domination over his own Al Fatah, by far the largest organization within the umbrella P.L.O., Arafat was still able to dominate the Palestinian movement.

But with the *intifada* taking center stage, the balance of Palestinian forces changed radically. Every uprising throws up its own popular leaders, and the youthful *intifada* leadership were not about to take orders from aging and remote leaders from Tunis, leaders who had in any case discouraged Palestinians on the spot from taking matters into their own hands.

Money provides the key to this "historic accord" and to its attendant hype and hoopla.

There is another vital factor here that has been underplayed in the media. The P.L.O., child of the 1960s, was the last major organization born of the Old Islam: that is, led by secularists who were genuinely devoted to a unitary secular state in Palestine, with complete freedom to be enjoyed by all religions, Jewish and Christian, as well as Muslim. At the same time that Israeli leaders were demonizing the P.L.O. as eager to hurl all Jews into the sea, the P.L.O. always insisted on firm distinctions between the aggressive "Zionist entity," which they hated, and the Jewish religion, which they had nothing against.

But that was the Old Islam. Within the last decade or so, as everyone knows, a militant New Islam has emerged, determined, "fundamentalist," and heaping only scorn on "Western" ideals such as religious freedom that had so influenced older groups like the P.L.O. And so the upsurge of the New Islam, the "hard right" such as Hamas and the Islamic Jihad, hard-core Muslims who have no use for secularism or religious freedom. And never, ever are they in a spirit to compromise, to surrender, to the hated Zionist entity. The Palestinians of the poor, wretched Gaza Strip are almost totally devoted to Hamas, as are much of the Palestinians on the West Bank. On the West Bank and among the remainder of the Palestinians, the P.L.O.'s only trumpcard has been the person of Yasser Arafat, beloved by rank-and-file Palestinians as the George Washington of his people. But even that devotion began to erode a few years ago when the Muslim Arafat displayed the temerity to marry a Christian wife.

In weighing the alleged dovishness and nobility of Yitzhak Rabin, by the way, it should not be forgotten how Rabin greeted the heroic people of the *intifada*: "we shall break their bones!" Some nobility! Some "dove"!

The next major blow to the P.L.O. came with the Gulf War, where Arafat went with his heart, and with the views of his Palestinian masses, and supported Iraq against the US-UN jackal pack set upon Saddam Hussein by the oil-rich sheikhdom of Kuwait, fueled by the mountain of bribes ladled out by the Kuwaiti government. But while the masses were with Arafat's decision, the moneybags: Kuwait, Saudi Arabia, etc., were not. Like all massive organizations, the P.L.O. more and more had come to subsist on money, and the money was largely supplied by the oil sheikhdoms. Bitter at Arafat's support of Iraq, the oil sheikhdoms cut off the money, and the P.L.O. has been virtually bankrupt ever since, sliding down the tubes to oblivion.

For, once again as in most political events, *money* provides the key to this "historic accord" and to its attendant hype and hoopla. One may ask oneself: *why* in blazes was the Accord signed in the White House, which supposedly had nothing to do with the agreement, and not in Oslo, where the Norwegian foreign minister provided the indispensable "back channel" for the delicate negotiations? One answer, of course, is to provide political brownie points to Clinton, whose "statesmanship" receives a reflected glow from the accord. But more important: Clinton has already pledged billions of Yankee dollars, along with more billions from the oil sheikhdoms, to grease the skids of this treaty

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and to make it palatable to Jews and Arabs alike. To appease the Israeli hawks, billions will be poured into Israel; and for the Palestinians, more and more billions for aid, "development," and God knows what. Ye gods! Is there no injustice in the world, however flagrant, that cannot be covered up by a flow of dollars from Uncle Sam?

What Is Israel Giving Up?

Let us analyze the deal in detail. What exactly is Israel giving up, what is it "sacrificing" in the noble cause of peace and reconciliation? Its major loss is the Gaza Strip, a tiny and wretched area without resources that consists of virtually one large and miserable refugee camp containing 800,000 Palestinians. Because of its high density, it has been very difficult for the Israeli occupiers to dominate Gaza. Moreover, the Gaza Palestinians are virtually all supporters of the militant Hamas, and not of the P.L.O. By divesting itself of Gaza, Israel will be turning over its onerous policing activity in the area to its new stooges of the P.L.O. who will have the Quisling function of putting down Hamas and the militants in behalf of their Israeli masters.

Perhaps most important, and totally unmentioned in the press, is the fact that the Gaza Strip, as in the case of the Sinai Peninsula, does not form any part of the maximal Zionist vision, of making Jewish the maximal extent of the ancient Hebrew kingdoms. Since neither Gaza nor the Sinai form part of fanatical Zionist dreams, it was easy for Israel to assume the pose of magnanimity and give them up.

The West Bank, of course, is a stickier problem, since *that* (as well as western Jordan and a chunk of southwestern Syria) *is* part of the Zionist vision. But on the West Bank, at least in the first year stage, Israel is only giving up the small town of Jericho; all the rest remains part of Israeli occupation.

And while Israeli troops are supposed to be withdrawn, in this long first stage, from Gaza and Jericho, these same troops will hang around on the periphery, ready to move back in at the slightest sign that the PLO police are incapable of "keeping order," that is, of suppressing the non-Quisling militants among the Palestinian people. Furthermore, even for the cloudy and ultimate stage 2, Israel is making no commitment whatever for even eventual full-statehood for Palestine, even for the Gaza Strip and the West Bank, nor even for full withdrawal of all troops from this allegedly "autonomous" region.

As Professor Edward Said, a P.L.O. moderate and by no means a "rejectionist," writes in his gloomy assessment of "Arafat's Deal" [*The Nation*, Sept. 20], in this "limited autonomy" granted to the Palestinians, Israel will continue to "control the land, water, overall security and foreign affairs in these 'autonomous' areas." In the West Bank, Said adds, Israel will control "almost all the water and land, a good percentage of which it has already taken." Said concludes: "The question remains, *How much* land is Israel in fact going to cede for peace?" In addition, nothing is said in the agreement about whether or when Israel will end its punitive apparatus of occupation laws and decrees in Gaza and the West Bank, and nothing, too, is said about the 13,000 Palestinian political prisoners still rotting in Israeli jails.

If the status of the 800,000 Palestinian refugees in the Gaza Strip and especially of the 900,000 Palestinians living in the occupied West Bank is cloudy at very best, what of the fate of the 3,000,000 other Palestinians who are refugees, not of the 1967 War but of the original Israeli conquest of 1948? These men, women, and children were driven from their lands and homes in what became "Israel proper," and have been living a furtive existence as refugees around the world: in Jordan, Lebanon, and elsewhere, yearning to return to their homes in Palestine. What happens to them under this highly-touted Accord? The answer: total abandonment. If there is feeble hope for Gazaites and West Bankers to enjoy some sort of limited autonomy under watchful Israeli guns, there is no hope at all for the 3,000,000 exiles of 1948.

Israel began under the aegis of British imperialism in the Middle East. Under its aegis, the meddling United Nations imposed a Partition plan on Palestine in 1947, which granted far too much land to the Zionists compared to what they deserved by the extent of their private property. (In many cases, for example, the Zionists claimed land titles by buying them from the Ottoman feudal lords, thereby displacing the Arab peasants

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who were the tillers and rightful owners of the soil.) But even that, of course, was only the first stage of Zionist expansionism. In the war of 1948-49, Israel occupied and drove out Arabs from the lands granted by the UN partition, depopulating, for example, the Arab city of Jaffa and substituting Zionist settlers.

The world media have totally distorted the problem of the original Palestinian refugees by concentrating on the allegedly fanatic and unreasoning "extremism" of the P.L.O. in making part of their covenant "the destruction of Israel." The question, however, is not whether or not the Israeli entity has a "right to exist," but whether or not the displaced Palestinians have a right to return to their homes and be free citizens of their lands, whether we are dealing with the post-1967 conquests of the West Bank and Gaza or the post-1948 conquests by "Israel proper." Allow the right of all Palestinians to return, and to have a full say as citizens, and Israel would indeed disappear, not because its "entity" has been destroyed or Jews driven into the sea, but because the Palestinians would then outvote Jews in Israel and Israel would no longer fulfill the Zionist goal of being a "Jewish state."

Arafat's terrible deed is to sell out the post-1948 refugees.

Arafat's terrible deed, then, is to sell out totally the post-1948 refugees. There is not even a cloudy second or third "stage" for *them*. It is true that the P.L.O. long ago decided that it need not insist on an immediate full Palestinian State. Instead, it would bow to reality by accepting, at first, a mini-State in the West Bank and Gaza Strip, but then use that mini-State as a *foco* and a point of agitation for an eventual maximal state in all of Palestine. And that, of course, is what Israel has been anxious to prevent, and why they didn't sign any deal for all these decades. But now, by taking advantage of Arafat's weaknesses: his eroding support, his financial bankruptcy and his vainglorious appetite for world acclaim, Israel has succeeded in getting the "representative of the Palestinian people" to (a) abandon the post-1948 3 million altogether; (b) to accept a very limited autonomy in Gaza and Jericho, and (c) an eventual only slightly less limited autonomy in the West Bank. Instead of insisting on a maxi-State, Yasser Arafat has settled for no genuine state at all.

Even at this date, in fact, the Rabin Government strongly opposes any Palestinian state, however eventual and however micro-mini; instead, it is sticking to the old Israeli scheme of a "confederation" between the Palestinian "entity" and the Kingdom of Jordan. In that way, the Palestinians would be submerged under a dictatorship of the long-time Zionist stooge King Hussein and his bedouin praetorian guard, so that the fact that Jordan would enjoy a majority of Palestinians would exert no influence on Jordan's politics.

There is only one enjoyable aspect of this Accord betraying justice and covered in media treacle and hype: the extreme discomfiture of our friends the American neocons, who are more hawkish on Zionism and the Arabs than are three-fourths of the Jewish population of Israel. It was precisely suspicion of such an Accord in the works that led Norman Podhoretz and Company to heap mud for many months on the Rabin Government as "self-hating" Jews.

But the fury of the neocons should not be enough to salvage the Accord in our eyes. It is true that the Likud, beloved to the neocons, would never have made this agreement, and that it took the Labor government to carry it through. But once again, the seeming moderation of the Labor government on this issue has nothing to do with altruism, a sense of justice, empathy for Palestinian suffering, devotion to peace, or the rest of the claptrap the adoring media have foisted upon us. The battle between Likud and the Labor party on this issue is strictly a matter of long-run demographics. If Israel keeps the West Bank and Gaza, the superiority of the Arab over the Jewish birth rate is such

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that, in the long run, the Arabs would outnumber the Jews in Greater Israel (Israel proper + the 1967 conquests). But this means that, to keep Israel as a Jewish state, Israel would either (a) have to give up any pretense of democracy where Arabs are concerned and rule over them in an increasingly brutal occupation; or (b) expel the Arabs to Jordan in a genocidal form of "ethnic cleansing." The Likudniks were willing to do either (a) or (b), (b) being the choice of the ultra-hard liners such as the late Rabbi Kahane's Jewish Defense League/Kach Party. But the Labor Party is not so willing to give up the trappings of Western and democratic government, and so the Labor choice is to "expel" the Arabs in a less brutal way, that is, hiving off the West Bank and Gaza into "autonomous" but still controlled regions, and thereby confining Israel to a comfortable Jewish majority.

This deal is so bad for the Palestinians that Arafat did not dare submit it to the supposedly supreme 400-man National Council of the P.L.O., since he knew he would lose. Short-circuiting the National Council, he only managed to ram it through his own Executive Committee of the P.L.O. by a very narrow margin, and *that* was after several opponents had resigned from ExecCom in disgust. But the Israeli/American/Arafat hope is that with enough U.S. and world billions—and possible troops—poured into the breach, the objections of the Palestinians can be overridden. One thing is certain: without the moral authority and charisma of Arafat among the Palestinians the Accord would be a dead duck. Yasser Arafat has displayed a phenomenal ability to escape assassination plots in the past. He is going to need a lot more of this ability if the Accord is to survive beyond the signing ceremony. ■

Stop Nafta!

by M.N.R.

Once again, libertarians and conservatives are being played for suckers. And once again, free-market think tanks and alleged devotees of "free trade" are serving as point-men and front-men for a sinister centrist Establishment whose devotion to freedom and free trade is somewhat akin to Leonid Brezhnev's. The last time that "free market economists" played such a repugnant role was in the 1986 "tax reform," engineered by Jacobin egalitarian economists in the name of "fairness," "equality," and free markets. [Tip: genuine free markets have nothing to do with "equality," and nothing whatever to do with modern leftist notions of "fairness."] The "social compact" devised by the 1986 Republican Jacobins was to cut upper income tax rates in exchange for "closing the loopholes," "broadening the tax base," and thereby keeping everything "revenue neutral." [Query: what's so great about keeping tax revenues up, the eternal aim of supply siders? Why not drastically lower tax rates *and* tax revenues? Isn't that the *real* free-market position?]

Well, they closed the loopholes all right, thereby leveling a blow to the real estate market from which it has still not recovered. Thanks, Jacobins. And, as some of us predicted without being heeded in 1986, it took only a few years for the upper income tax rates to be raised again. This year, the rightist Jacobins feebly protested when Clinton put through his horrible budget. So Clinton broke the social compact of 1986! Does anybody really care?

The current Pied Piper, or Judas goat, role of free-market economists is being played over the North American Free Trade Agreement [Nafta]. Just call it "free trade," and free-market economists and libertarians will swallow anything. When Pat Buchanan ran for President, one of the main arguments of Our People in sticking with Bush is that Bush was a "free trader," while Pat had become a protectionist. Never mind that Bush's trade record was the most protectionist in many a moon. He talked a good "free trade" game, and rhetoric is all that counts, right?

Bush's major trade legacy, now coming to a head, is of course the much heralded Nafta. Well, it *says* "free trade" right there in the title, so it must be good, right? Wrong. But unfortunately, the push is on, and free-market economists are leading the hysterical propaganda parade for Nafta. In addition to the usual neocon suspects such as the *Wall Street Journal*, and free trade supply-siders such as Robert Novak, virtually every free-market think tank has joined in an unusual "Nafta Network," to beat the

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drums for Nafta.

Real free trade, of course, doesn't require years of high-level government negotiations. Real free trade doesn't require codicils and compromises and agreements. If the Bush Administration had wanted real free trade, all they'd have had to do is to cut tariffs and quotas, abolish the International Trade Commission, the "anti-dumping" laws, and the rest of the panoply of monopolistic trade restrictions that injure American consumers and coddle inefficient producers.

What the Establishment wants is government-directed, government-negotiated trade, which is mercantilism *not* free trade. What it wants also is institutions of internationalist supergovernment to take decision-making out of American hands and into the hands of supergovernments, which would rule over Americans and not be accountable to the American people. The mercantilist Establishment, emphatically including the right-centrist Bush-types, wants government-regulated trade as well as *subsidized* exports. Negotiated trade, whether Bush or Clinton is doing the negotiating or David Rockefeller were doing the negotiating directly, lowers import barriers only as bargaining chips to force-feed American exports into foreign countries. In addition, there is "foreign aid," essentially a vast racket by which the American taxpayer is forced to hand out billions to export firms and industries.

The renegade free marketers and free traders who endorse Nafta have two contrasting rebuttals to our argument, rebuttals which virtually cancel each other out: (1) that by opposing Nafta we are being "too purist," that we are, in the common phrase, "using the best to oppose the good"; and (2) that we are associating with the absurd arguments and the sinister interests of Left Liberals, the AFL-CIO, and/or of such conservative protectionists as Pat Buchanan.

On the first point, No. Though we may be purists, we *don't* think that "half a loaf is worse than no loaf at all." I grant, for

Rating Senate Republicans

A third horrendous appointment voted on August 3 was the nomination of Thomas Payzant, superintendent of schools in San Diego, for assistant secretary of education in charge of elementary and secondary schools. Payzant had led the fight in banning Boy Scouts from public school programs, because of Scout policy of forbidding homosexual members and leaders. Payzant also set up a system of assigning students to programs on the basis of race quotas rather than merit. Payzant was approved by the Senate by a vote of 72-27. Republicans were split, 18 endorsing Payzant, and fortunately a majority, or 26, opposing him.

Thomas Payzant

Alaska		**Maine**		**Pennsylvania**	
Murkowski	+	Cohen	—	Specter	—
Stevens	—				
		Minnesota		**Rhode Island**	
Arizona		Durenberger	—	Chafee	—
McCain	+				
		Mississippi		**South Carolina**	
Colorado		Lott	+	Thurmond	—
Brown	+	Cochran	+		
				South Dakota	
Delaware		**Missouri**		Pressler	+
Roth	—	Bond	+		
		Danforth	—	**Texas**	
Florida				Hutchinson	—
Mack	+	**Montana**		Gramm	+
		Burns	+		
Georgia				**Utah**	
Coverdell	+	**New Hampshire**		Bennett	—
		Gregg	+	Hatch	+
Idaho		Smith	+		
Kempthorne	+			**Vermont**	
Craig	+	**New Mexico**		Jeffords	—
		Domenici	—		
Indiana				**Virginia**	
Coats	+	**New York**		Warner	+
Lugar	—	D'Amato	—		
				Washington	
Iowa		**North Carolina**		Gorton	+
Grassley	+	Faircloth	+		
		Helms	+	**Wyoming**	
Kansas				Wallop	+
Dole	+	**Oklahoma**		Simpson	—
Kassebaum	—	Nickles	+		
Kentucky		**Oregon**			
McConnell	+	Packwood	—		
		Hatfield	—		

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example, that some of the 19th century treaties, such as the Anglo-French Treaty of 1860, were great steps toward free trade (e.g. Richard Cobden in England and Michel Chevalier in France.) They were made in a general atmosphere of devotion to free trade. The current treaties are very different; they are made by centrist mercantilists to advance such anti-free trade and collectivist policies as internationalist supra-government, regulated trade, and export subsidy. Whatever tariffs may be reduced, they are *more than offset* by the march toward regional, and eventually world, super-government that is the essence of Nafta and all similar treaties in today's world. Nafta would not bring us "half a loaf" of free trade; if we can continue the analogy, it would bring us a "negative loaf." Nafta is *worse* than no agreement at all.

In particular, the super-government. We should heed the warning of the leading free-market expert on Nafta, James Sheehan of the Competitive Enterprise Institute (a generally estimable outfit which has unaccountably joined the Nafta Network). Sheehan points out that Nafta would set up three-governmental regional commissions, that would have the power to levy fines on business, search the premises of business, and sue in American courts, in order to enforce three-country labor or environmental regulations.

It's like the European Community, which is being sold to the public as a wonderful European "free trade zone." But European superbureaucrats in Brussels have the power to enforce "harmonization" of: taxes, welfare state regulations etc., in all these countries. In order to insure a "level playing field' [another synonym for left-wing "fairness"], the Eurocrats can and have *forced* low-tax countries to raise their taxes to be on par with their fellow-countries, and to impose a greater welfare state or more stringent labor regulations. The *same powers* would be placed by Nafta into the hands of these North American bureaucrat Commissions.

The point is this: while leftist critics of Nafta are wailing about evil Mexico avoiding those wonderful statist and welfarist U.S. "labor" and "environmental" regulations, the real problem is precisely the opposite. The real problem is that these rotten statist measures will be enforced by supra-government commissions, commissions which have acquired super-sovereignty, over Americans, Canadians, and Mexicans, thereby injuring the consumers and the economies of all three nations.

Under Nafta, these bureaucratic commissions could challenge right-to-work laws in American courts.

Article 756 of Nafta requires these three-country commissions to "harmonize" their labor, health, and environmental laws, which means, as in Europe, harmonizing all of these measures in a statist and collectivist direction.

For example: do the citizens of Texas, Arizona, and other right-to-work law states know that Nafta would give these bureaucratic commissions the right to challenge right-to-work laws in American courts, on the grounds of violating the Nafta treaty? And do they realize that because the Eisenhower Administration managed to kill the great Old Right Bricker Amendment in the 1950s, that treaties have been interpreted as constitutionally overriding all other parts of the U.S. Constitution? And if the Clinton Administration should fail in its ambition to prohibit employers from replacing strikers, the Nafta Commission might be able to sue to impose such prohibitions because union-ridden Canada and Mexico have them.

Article 1114 of Nafta prevents any country from "lowering any environmental standard." So this means that the U.S. would be prevented by this super-sovereign commission from trying to get out of any environmental rules and restrictions imposed by Canada and Mexico, who are often more in the grip of environmentalist socialists than we are.

Ironically, it was precisely the power of the super-bureaucratic

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commissions that led Canadian Prime Minister Kim Campbell to withhold her consent from Nafta. In a last minute deal, the U.S. then agreed to let Canada off the hook and keep its sovereignty, while the rest will be ruled by the Commissions. Canada can decide these disputes for itself, while the U.S. and Mexico have agreed to abide by Commission rulings.

Why aren't Americans allowed the same powers of self-government as Canadians?

The second rebuttal is Guilt-by-Association. No, we are not buying the absurd protectionist argument that "high-wage Americans" should not have to compete with "low-wage Mexicans (Taiwanese, or...)." This argument from economic ignorance puts the cart before the horse: and it doesn't treat the deeper question: why *are* U.S. wages so high, while Taiwanese or Mexican wages are much lower? The reason is that American employers can *afford* to pay such high wages while Mexican employers cannot. The reason for that is the superior capital investment of the American economy, which has made the productivity of U.S. workers far higher than in Mexico. This means that the *labor cost* per unit of product in the U.S. tends to be much lower than in Mexico, even though the *wage rate* is higher. For high labor productivity means low labor cost.

Kill Nafta—and strike a blow directly in the gut of the Clinton Administration.

Moreover, the very fact that the U.S. exports a lot of goods to Mexico, Taiwan, etc. demonstrates that there is something very wrong with this protectionist "low-wage" argument.

But the problem, as we indicated above, is the reverse of the standard protectionist line. The problem with Nafta is not that it will allow U.S. businesses to move to "low-wage" Mexico (they can do that now!) The problem is not that Mexico might be able to escape U.S. union, wage, and environmental regulations. The problem is that the United States is going to suffer *even more* of these regulations as imposed by the supra-sovereign North American Commissions.

Besides, people in glass houses, etc. If *we* are "associating" with the AFL-CIO, you guys have to look in the mirror every morning after associating with President Clinton and Mickey Kantor (Yucch!).

It is important that freedom-lovers in the American public not get fooled by the "free-market" think-tank monolith. Nafta, like the European Monetary System now virtually dismantled, is bad news. It's worse than open socialism; for it's internationalist socialism camouflaged in the fair clothing of freedom and free markets. Populists, even protectionist populists, are right to view it with deep suspicion.

Kill Nafta—and strike a blow directly in the gut of the Clinton Administration. A good rule of thumb: other things being equal, if the Clinton Administration is for it, whatever *it* is, it should be opposed on general principles. The more the Clinton Administration fails, the more it withers and dies, the more American freedom and prosperity, the more the Old Republic, shall live. ■

Anti-Anti-Semitism Gone Bananas

by M.N.R.

For many years, Stormin' Norman Podhoretz, editor of *Commentary*, has managed to instill deeply into the public consciousness the notion that the definition of an "anti-Semite" is anyone who disagrees with Podhoretz on any public issue. In this task, he has been aided by a lushly-financed cadre of neoconservative media pundits. For years, Podhoretz laid down the law that anyone who publicly disagrees with the State of Israel on any matter whatever is an "anti-Semite," be he Jew or Gentile (the former coming under the rubric as a "self-hating" Jew). And there was no storing up of brownie points in

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Heaven, no gratitude for past agreement. The attitude was always: "What have you done for me lately?" Thus, when Pat Buchanan, after years of strongly pro-Israel sentiment, began to be critical of some of its actions, the Podhoretzniks descended upon their former friend like a ton of bricks, tarring him eternally with the "anti-Semitic," "neo-Nazi" label.

But now the whole thing is falling apart. The first slip in Podhoretznik control came when Stormin' Norman's beloved Likud government in Israel fell, to be replaced by the Rabin Labor government. Suddenly, Norman and the gang, after loudly banning any criticisms of Israel from public discourse as "anti-Semitic," began to denounce Israel themselves! The Rabin government is being attacked bitterly for presuming to talk to the PLO, or even contemplating any sort of renunciation of Israel's occupation of the Arab Palestinians on the West Bank, or any self-government by Arabs under military rule for almost thirty years. On what grounds do Podhoretz and Company reverse their own stern decree? Why, because Rabin and the Israel government have themselves become "self-hating Jews" and are therefore "anti-Semitic." Why else?

And they used to talk about Communists changing their line on a dime! None of the Communist Grand Reversals was quite as outrageous as Norman's. It is difficult to believe that he can get away with it.

Sure enough, it looks as if the neo-con legions are now spinning out of control, gone loco. Best evidence is a fascinating, if nutty, article in the left-neocon *New Republic* (August 23-30), written by Michael Lind, executive editor of right-neocon Irving Kristol's periodical *The National Interest*. It was none other than Lind who, writing in the *New York Times* the day after Pat Buchanan's great Houston speech at the Republican Convention, set the media tone in flaying Pat for his speech as an alleged Hate Crime.

Lind, in his article, ("Aliens Among Us"), is talking about the attitude of conservatives toward the increasingly thorny immigration problem. Without stating his own position on immigration, he correctly notes that neocons have always been strongly pro-immigration, even unto "open borders." What he is objecting to, however, is what he considers a dangerous new trend among some neocons, specifically Rev. Richard John Neuhaus and Francis ("End of History") Fukuyama, to be in favor of immigration *for the wrong*

Quotes That Need No Comment

Nafta's environmental provisions are a model for new international cooperation. Under them, no country in the agreement can lower its environmental standards—ever. And if a country doesn't go after its polluters, we will.

Similarly, Nafta's labor provisions ensure that no country denies its citizens basic labor rights: child labor restrictions, minimum wage requirements, health and safety rules, and industrial relations guidelines, to name a few....

With all these provisions, Nafta sets a historic standard for other trade agreements. This is the first trade agreement specifically to protect workers' rights and the environment. Every trade agreement from here on out will have to address these concerns.—Mickey Kantor, *Wall Street Journal*

So what was I, neither leftist nor gay, doing there [at the Gay March on Washington in April]? And why did I find it both ennobling and liberating?...I don't see why I should stop behaving the way I wish in public simply because someone is pointing a camera at me. I don't think that any busybody's desire not to see me kiss a loved one in public should dictate whether I can do so....

And, hetero though I am, I was accepted and welcomed all weekend long by both friends and strangers, an experience I found both uplifting and symbolic of what freedom is all about. Yes, liberty is more than just buying and selling your justly owned property.... The aura of spontaneous and self-chosen community elicited awe in this libertarian: I felt privileged to be part of this community.... And that's why, [statist] political message be damned, this even was worth celebrating. Because before politics there is self-chosen community, nudity, public displays of affection, and joy.... The preservation of civilization depends far more on suppressing hate, violence, and prejudice than on suppressing those *people* who choose to make love with members of their own sex.—Brian Doherty, editor, *Liberty* magazine

I don't need to work while there are fools out there who will give me money.—Charles Logan, panhandler, phony Vietnam veteran, and convicted thief, *St. Louis Post-Dispatch*

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reasons. (Among neocons, you not only have to take the right position, but on the right grounds.) For Neuhaus and Fukuyama specifically welcome *Catholic* immigration, from Latin America and Asia, as a conservative cultural force to offset native Americans who have culturally gone left, led by upper class elites whom Neuhaus identifies as "aliens among us," aliens in spirit who are far more alienated from the true America than Third World Catholic immigrants.

Neuhaus identifies these "aliens among us" as (a) the intellectual elite, including "journalists, writers, academics" and mainstream religious leaders; (b) the urban black underclass and the "civil rights overclass"; and (c) homosexuals. And Fukuyama writes of immigrants from Asia and Latin America as culturally conservative, in contrast to the sexual revolution, feminism, the "celebration of alternative lifestyles," and ruthless secularization, all of which Fukuyama identifies as having "originated right in the heart of America's well-established, white Anglo-Saxon community." Fukuyama caps his crimes in Lind's eyes by even concluding "with a call to arms deliberately echoing Pat Buchanan's Houston speech: 'In the upcoming block-by-block cultural war, the enemy will not speak Spanish or have a brown skin.'"

In other words, Lind is horrified that these neocons are adopting a strategy of right-wing populism, of mass counter-revolution against the left elite. He tries to assign this to a Catholic plot (George Weigel being apparently another in this Pro-Third World-populist group), but he is forced to admit that these sinister Catholics are allying themselves ("merely tactically, of course") with Protestant evangelicals in this dangerous populist coalition.

Anti-anti-Semitism has exploded, turned on itself, shattered into a thousand pieces.

Where does "anti-Semitism" come in? Because, you see, such phraseology as "aliens among us" is "chillingly reminiscent" of anti-Semitic terminology and denunciations of "cosmopolitan" elements. Lind ritualistically concedes that "Neuhaus is no anti-Semite," but the thrust of his article is that Jews are being deliberately included by these New Populists as part of the "Protestant elite" category. It is nice to see that Jews are now, at least for Lind's purposes, honorary WASPs. Here Lind echoes the predominant neocon attitude of the 1950s, that "McCarthyism," or indeed any right-wing populism, is *ipso facto* "anti-Semitic" (Hey, aren't Jews a minority?). Lind also adds the old 1950s gambit that populism is not "genuinely conservative," but really radical. Well, tough!

So if the new pro-Catholic, pro-evangelical Protestant, neocon populism is implicitly anti-Semitic, which periodicals are the source of this new anti-Semitic threat? The Reverend Neuhaus wrote his screed in his own journal *First Things*. But Francis Fukuyama, the latest Deep Thinker in neocon ranks, wrote *his* evil article in none other than Norman Podhoretz's *Commentary*!

So there we have it. The center has been lost, all eternal verities are gone; Stormin' Norman himself, who in his own living person embodies anti-anti-Semitism, has now been attacked by a Kristolean neocon as a source of a new anti-Semitic threat. Podhoretz an anti-Semite!

Anti-anti-Semitism has exploded, turned on itself, shattered into a thousand pieces. Look, the time has come to stipulate that every single person in the world, nay in the entire universe, Jew or Gentile, is an anti-Semite. And then let's forget the whole thing. ■

What Do Gays Want?

by Joe Melton

What do gays want? The answer is still unclear, but it is becoming all too clear what "libertarian gays" want: the "freedom" to engage in *public* sex. So says Paul Varnell, vet-

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eran libertarian who seems to be the major theoretician for "Libertarians for Gay and Lesbian Concerns" [LGLC]. In the Spring 1993 issue of the quarterly *LGLC Newsletter*, edited at the LGLC "World Headquarters" in Chelsea, Michigan, Varnell writes two theoretical articles: "Defending Public Sex," and a corollary sneer at "The Threat of Nudity," both reprinted from the gay Chicago periodical, *The Windy City Times*.

Varnell writes that while lesbians, for some besotted reason, have no interest in public sex [Is it an accident that, scouring through the list of LGLC names and contacts in the *Newsletter*, not a single female name could be found?] gays emphatically do, and he notes a *Playboy* reader survey, in which 1,000 gays answered that approximately three-quarters had engaged in public sex.

Yet, Varnell goes on, he has never seen a philosophic defense of public sex. Leave it to "libertarian gays" to supply such a need! But, he adds in wonder, he has never seen a "sustained and cogent argument" against public sex; "it is just assumed to be bad." Varnell then runs down a series of anti-public sex arguments, most of them straw men, to which he replies with arguments on the order: The critics say that "Sex by its nature should be private." But why, asks Varnell, "what is the argument for the claim?" Typical of Varnell's ratiocination is his reply to the plea "not to scare the horses." His crushing retort: "How many horses have you seen on city streets lately?"

To the argument that public sex is "rude and offensive to others," Varnell answers that there is plenty of rude and offensive behavior in cities, such as "intrusive panhandlers," "youths with boom boxes," etc. "We learn to close our eyes and practice avoidance," Varnell writes. "Why should public sex be different?" Varnell adds the usual leftist psychobabble, trying to psycho-smear opponents of his preferred practice.

Varnell's style of argumentation is all too reminiscent of the annoying kid who keeps asking "why, daddy?" to every order, until finally the father has to fall back on "because I say so." Libertarian child-rearing theorists have made great sport with this example, fiercely blaming parents for "falling back on authority," for refusing to engage in endless rational discourse, thereby blighting the kid's budding rational faculties and his growth into libertarian-hood. What these theoreticians don't seem to grasp is that the busy parent doesn't have the time or energy or need to work out an entire philosophy of life before giving simple instructions to his kid. Following their theory of life, no kid would ever get reared and nothing would ever get done, period. Instructions are a necessary shorthand device to raising, instructing, and "socializing" kids. The imbalance and asymmetry of this typical kid-parent dialogue is that the kid *has nothing else to do* and is therefore prepared to spend unlimited time in the fun-game of pestering and harassing his parent. Why not, if there are no sanctions to follow? The sooner the kid finds out that in the real world, adults have no time for this nonsense, the better.

To answer Varnell there is no need to work out a 500-page theory of sex. Throughout history, and in every culture, sex has been private, and public sex is considered by everyone as deeply offensive and intolerable. The increasing intrusion of aggressive panhandlers, and of boom-box youth, is scarcely an argument to make matters worse; on the contrary, it is an argument to reverse the current degeneration of our cities and to clear the streets of these harassers and imposers of "negative externalities" upon the rest of us. Public sex is enough to bring back the pillory, the stocks, or the horsewhip.

Once again, as in the case of many moral and "lifestyle" problems, all this would be cleared up in an anarcho-capitalist world, where every neighborhood is owned privately, by local contractual communities. In that case, the overwhelming majority of street-owners would prohibit public sex and enforce that ban to the hilt. On the other hand, a few neighborhoods, Greenwich Village or its moral equivalents, would be happily steeped in sin and allow or even encourage public sex. The same solution is *a fortiori* true of the nudity question. Everyone would know what areas to avoid, or flock to. In the meanwhile, it is important that local governments act as far as possible as surrogate private owners, and therefore reflect the "community standards" of their neighborhoods. In short: to prohibit public sex.

Elsewhere in the same issue,

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Newsletter editor and LGLC "International Coordinator" James Hudler, reports on the April Gay March on Washington, in which the tiny band of LGLCers was happy to participate. True, there are a few complaints about the "March bureaucracy," and about discrimination against the group for being against taxes and national health care, but generally Hudler and the guys were delighted at the proceedings, including a dance consisting of "writhing half nude bodies mesmerized by a deafening disco beat." In particular, there was "the Reverend Jesse Jackson," whose speech Hudler describes as "impassioned as usual, very anti-Clinton, and at times very libertarian-sounding."

Advocates of public sex who find Jesse Jackson "very libertarian-sounding." What else do we need to know about "libertarian gays"? ■

Stop Nafta, II

by Llewellyn H. Rockwell, Jr.

The Clinton administration, which can't always get what it wants from Congress, is now trying to smuggle its agenda into law as "free trade." We can know that because the texts of the environmental and labor supplemental agreements to the North American Free Trade Agreement are finally out.

Negotiated by U.S. Trade Representative Mickey Kantor, the side agreements will please regulators, union bosses, and environmentalists, but prevent future Republican presidents from enacting free-market reforms.

Within the first few sentences of the environmental agreement, we are told that "sustainable development" will be our policy. As those who follow eco-speak know, this is code for shutting down capitalism.

That's why the agreement establishes a supranational "Commission for Environmental Cooperation," including a "Central Secretariat," to enforce its rules and regulations over the heads of Congress. The Commission will have its own budget, court, propaganda office, and bureaucratic army.

Its mission: rigid enforcement of all environmental regulations, including the use of "pollution prevention techniques and strategies," "environmental scientific research and technology development," "conservation and protection for wild flora and fauna and their habitats, and specially protected natural areas," "protection of endangered and threatened species," and even "eco-labelling."

The Commission can even veto American economic projects if they have "significant adverse transboundary effects," i.e., bother foreigners.

The agreement also obligates the U.S. to "report on the state of the environment," "further environmental scientific research and technological development" and "assess, as appropriate, environmental impacts."

It mandates that the U.S. "effectively enforce its environmental law" through "on-site inspections," "environmental audits," "licenses, permits or authorizations," "search, seizure or detention" of alleged violators, with punishments including "fines, imprisonment, injunctions, the closure of facilities, and the cost of containing or cleaning up pollution."

And if we don't, for example, jail enough businessmen, millions in penalties will be imposed on American taxpayers.

If Congress passes Nafta, all this will go into effect on January 1, 1994. After that date, free-market groups can toss out (oops, I mean recycle) their reforms of statist eco-laws, as can Republican legislators. And farmers, hunters, and developers can forget about changing the endangered species act, which covers a host of bugs and weeds. The environmentalists will have a permanent green rope around the neck of the American economy.

Now we can see why our northern neighbor refused to take part in this treaty. But why should we sign an agreement that is too much for eco-socialist Canada?

The Clinton administration also tacked a Labour Accord onto Nafta. According to the text, its objective is "to promote compliance with and effective enforcement" of "labour law." (Not even the spelling is American.)

The accord includes under labor law: collective bargaining, strikes, minimum wages and

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overtime pay, anti-discrimination law, and even "equal pay for men and women." The left has been pushing a nationwide "comparable worth" scheme for a decade. What better way to enact this egalitarian nonsense than to bypass state and federal legislatures and make it continent-wide?

To oversee all of this, the Labour Accord establishes a "Labour Commission" with a "Ministerial Council," an "International Coordinating Secretariat," and a "National Administrative Office." And like the environmental agreement, it sets in concrete some of the worst aspect of the U.S. regulatory state.

Our government is ordered to "promote compliance and provide for effective enforcement" of our "domestic labour law" through "on-site inspections," "mandatory reporting and record keeping," and "mediation, conciliation or arbitration." And unions are granted advantage over management in disputes over "health and safety," "employment standards," and "industrial relations and migrant workers."

The accord transfers responsibility for labor policy from Americans to the Ministerial Council of Nafta. It is charged with unifying standards on "occupational health and safety," "child labour," "human resource development," "work benefits," "social programs for workers and their families," "labour-management relations and collective bargaining procedures." It will also promote "legislation relating to the formation and operations of unions, collective bargaining and the resolution of labour disputes."

This is the agenda of the left-wing International Labour Organization, and the agreement says that Naftacrats will "draw on the expertise and independence of the ILO."

If the texts themselves leave any doubts, Kantor explained to the *Wall Street Journal* (8-17-93) that "the supplemental agreements will help ensure that the enforcement of domestic environmental laws and workplace standards and requirements will be strengthened" and "that no nation will lower labor or environmental standards, only raise them."

President Clinton called government spending "investment" and tax increases "contributions." Now he is calling international socialism "free trade." ■

President Clinton is calling international socialism "free trade."

The Ghost of Decatur

by L.H.R., Jr.

In the escalating struggle over mortgages and race discrimination, lenders have learned to fear the newspaper mini-series. For example, "The Color of Money" (*Atlanta Journal-Constitution*, May 1988) announced: "Banks favor white areas by 5-1 margin." Reporter Bill Dedman claimed that lenders were violating their "affirmative obligation" under the Community Reinvestment Act to make loans in low-income neighborhoods. Because of "institutional racism," "predominately" white areas were getting more mortgages than "predominately" black ones.

The story included a list of guilty banks and s&ls and activists stormed their lobbies. As the Atlanta City Council scheduled hearings, Atlanta's frightened banks and s&ls agreed to distribute $65 million at below-market rates to black borrowers who would otherwise not have qualified. Down-payments would be 3%, and closing costs held to $300, so Atlanta's subsidy to low-income home buyers would cover most out-of-pocket expenses.

Yet the study was deeply flawed. The reporter looked at whole neighborhoods, not at banks' actual loan applications, and counted blacks living in mostly white areas as whites. He also ignored alternative lenders who made low-income loans.

Tucked away in the story was the real explanation for the disparities: "In 1984, the median household net worth of whites was nearly 12 times that of

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blacks. That's $39,135 versus $3,397." (By 1989, the white-non-white gap had widened to $58,500 vs. $4,000.) Net worth, more than income, is a good predictor of repayment because it distinguishes a future orientation from a present one.

One s&l on the *Journal-Constitution*'s offender list, Decatur Federal, did not participate in the special loan program, however. Loose loans were the last thing it needed. But that didn't cut any ice with the U.S. Justice Department, which initiated a four-year inquisition. This only became public in July 1992 after a weakened Decatur announced its coming merger with First Union Corp., a Charlotte-based bank. First Union, although not named as a perp by the newspaper, had agreed to give special loans.

Though the leak may have been a coincidence, community activists know that the best time to hand a your-money-or-your-life note to the teller is just before a merger. Sure enough, the merger was held up until Decatur signed a consent decree in September 1992.

The government charged that Decatur failed to give special consideration to black loans and had excluded black customers by "rarely or never" advertising in black media. "We categorically deny" the charges, chairman Robert McMahan told the *Journal-Constitution*, but he called it "futile" to resist.

Decatur agreed to pay $1 million to 48 blacks turned down for loans, to advertise heavily in black media, to give bonuses to loan officers who made loans to blacks, to hire an "underwriter" to examine all applications, to conduct sensitivity training for white employees, to open an additional low-income branch, and to hire discrimination "testers." Perhaps to make up the cost, Decatur laid off 190 white employees.

History is repeating itself. In the *Washington Post* (June 1993), the series "Separate and Unequal" by Joel Brenner and Liz Spayd said that local blacks are twice as likely as local whites to

Rating Senate Republicans

August 3 was a dark day for Senate Republicans, a day they caved on three nefarious Clintonian appointments. One, on Ruth Ginsburg for the Supreme Court, we've already dealt with; only Helms, Nickles, and Smith rate pluses for voting against the "moderate" left-feminist, all the other Republicans score minuses.

Another appointment was the notorious Sheldon Hackney, president of the University of Pennsylvania and Mr. P.C. in Academia, for head of NEH. Hackney was approved 76-23, with Republicans split, 22 for the odious Hackney, and only 22 against.

Sheldon Hackney

Alaska		**Maine**		**Pennsylvania**	
Murkowski	—	Cohen	—	Specter	—
Stevens	—				
		Minnesota		**Rhode Island**	
Arizona		Durenberger	—	Chafee	—
McCain	+				
		Mississippi		**South Carolina**	
Colorado		Lott	+	Thurmond	—
Brown	+	Cochran	—		
				South Dakota	
Delaware		**Missouri**		Pressler	+
Roth	—	Bond	+		
		Danforth	—	**Texas**	
Florida				Hutchinson	—
Mack	+	**Montana**		Gramm	+
		Burns	+		
Georgia				**Utah**	
Coverdell	+	**New Hampshire**		Bennett	—
		Gregg	—	Hatch	—
Idaho		Smith	+		
Kempthorne	+			**Vermont**	
Craig	+	**New Mexico**		Jeffords	—
		Domenici	+		
Indiana				**Virginia**	
Coats	—	**New York**		Warner	+
Lugar	—	D'Amato	+		
				Washington	
Iowa		**North Carolina**		Gorton	+
Grassley	+	Faircloth	+		
		Helms	+	**Wyoming**	
Kansas				Wallop	+
Dole	+	**Oklahoma**		Simpson	—
Kassebaum	—	Nickles	+		
Kentucky		**Oregon**			
McConnell	+	Packwood	—		
		Hatfield	—		

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be turned down for loans. The reporters naturally ignored individual applications and looked only at neighborhoods, while omitting the difficult truth, reported in the November 1992 *Federal Reserve Bulletin*, that minorities have "weaker credit histories, fewer liquid assets, and lower net worths and incomes than white applicants." Despite the inevitable special deals from area banks, Congress is holding hearings.

Can any bank that doesn't cooperate expect to go the way of Decatur? They can if Ralph Nader has anything to say about it. In August 1993, the Nader-front group Essential Information, Inc., announced "the most comprehensive computer study of mortgage lending practices ever performed." (It was actually a rehash of Fed data, translated into color computer graphics.)

Nader charged that "minority neighborhoods" are getting fewer loans than "white neighborhoods." Like the others, he ignored credit ratings, assets, incomes, marital status, and job histories. He even claimed that blacks are being "induced" *not* to apply, and called on Janet Reno to do everything but surround banks with the BATF.

Nader and his allies cited a 1992 Boston Federal Reserve study by Alicia Munnell, now a high Treasury official, who had told the A.P. that whites "seem to enjoy a general presumption of creditworthiness." This, she said, is "discrimination in the mortgage market."

But Peter Brimelow and Leslie Spencer of *Forbes* confronted Munnell with the racially identical default rates in her own data, which indicate impartiality. If blacks were being held to a higher standard, i.e. discriminated against, they would have *fewer* defaults. She had "no evidence" of racial discrimination, Munnell admitted. "No one has evidence."

The evidence in fact runs the other way. In 1989 the New York State Banking Department examined ten New York banks accused of discrimination. The department looked at specific applications and concluded that the banks had been fair. Objective factors, in other words, explained the racial gap.

A vestige of institutionalized merit, the credit rating, is on its way out, to be replaced with welfare.

As the left sees it, however, objectivity is not enough. That's why Rep. Joseph Kennedy (D.-Mass.) is pushing quotas in lending. A last vestige of institutionalized merit, the credit rating, is on its way out, to be replaced with a new and almost invisible form of welfare. Among lenders, no one is resisting, for the ghost of Decatur haunts the future victims. ■

P.C. Watch

by L.H.R., Jr.

Sweet Lips

Campaigning in New Jersey, Jack Kemp shouted "Give me some sugar, woman," at a black housing official. Kemp then said that gubernatorial candidate "Christie Whitman and I recognize that there can be no politics when it comes to ownership, entrepreneurship, and jobs [i.e., no dissent on Kemp's pet welfare programs]. Unfortunately, on the far right there are Republicans who don't support this idea." (*Washington Times*, 9/12/93)

KKKon

It was worldwide news when Diane Alexander, the Alabama widow of Henry Alexander, a Klansman and FBI informant, said that he had confessed on his deathbed to murdering a black man, Willie Edwards, in 1957, pushing him off a bridge. Twice, to the *Montgomery Advertiser* and to NBC, Diane said she had not and would not accept any money for her story. She only wanted to tell the truth.

It turns out that Diane—who was the common-law "wife" of Henry—had signed a movie deal, and is now trying to get out of it to accept a more lucrative one. Her advisor is Morris Dees, the rich, left-wing "poverty" lawyer. Did Diane make it all up? Strap her in a lie detector and let's find out. (*Montgomery Advertiser*, 9/14/93)

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The Moron Lobby

Darlene Lieblich, head of Fox Television's standards and practices department, asked Sheldon Bull, producer of a sitcom called *Satellite News*, to change a line in his new script. The original read "Dammit! Stupid, idiot, moron, jerks!!"

"'Idiot' and 'moron' are clinical terms which can cause great pain to the families of those afflicted with mental illness," wrote Lieblich.

The new line: "Dammit! Stupid, mallet-head, brain-dead, jerks!!" (*Harper's*, 10/93)

Ms. God

The use of an actress to play Jesus Christ in a dramatization of the Stations of the Cross caused some controversy during the Papal visit to Denver. Traditionalists condemned it as part of the agitation for priestesses, and the heroic Mother Angelica, founder of the Eternal Word Television Network (which is almost reason enough to get cable), called it "in bad taste, very imprudent, and blasphemous." Jesus Christ was, she noted, the "*Son* of God."

Jesus Christ was, she noted, the "*Son* of God."

Liberals loved the crossdressing, of course. Sister Maureen Fiedler of Catholics Speak Out (and not, unfortunately, of Catholics Shut Up), said "women are the chief oppressed group in the church today," and therefore should always portray Christ Crucified.

The liberals included the Pope's press secretary, Joaquin Navarro-Valls, who said it was "just a show" and no big deal. He then went on to defend the casting as "representing all humanity." (*Washington Post*, 9/11/93)

Ellington

Duke Ellington "was the greatest composer of the 20th century," said Kenny Burrell, head of the 11th Annual International Duke Ellington Conference in New York City. No, said Murray Kempton, he was on a level with "Bach and Mozart." (*WP*, 8/25/93)

Supplemental Pay

It was "racism," charged a black radio station, when the Acting Secretary of the Army, John W. Shannon, was arrested for shoplifting at a Fort Myer PX. Shannon, a black and the Army's top civilian, was spotted by several MPs stealing a woman's matching blouse and skirt. It is not expected that he will lose his job over the incident. (*WT*, 8/24/93)

Father Abraham

William Morrow & Company has suppressed an unpublished manuscript it had planned to bring out on Abraham Lincoln. *A House Divided* by Mariah Vance, the Lincolns' laundress during the 1850s, tells dramatic stories of hysteria and jealousy in the Lincolnian home. In one scene, Abe taunts Mary with a picture resembling his former girlfriend, Ann Rutledge, and Mary tries to stab him. (*WP*, 8/24/93)

Human Rights

The Rev. Eugene Lumpkin, a black Baptist minister, was kicked off the San Francisco Human Rights Commission by Mayor Frank Jordan in August.

The trouble started when Lumpkin was asked by a gay reporter if he agreed with the Bible that male homosexuality is "an abomination against God," Lumpkin said yes. When another gay reporter asked if he also agreed that "men who have sex with other men should be stoned to death," he said, "that's what the Bible says."

Lumpkin said he was opposed to "aggression against any person or group," and did not think the Bible called for that, said he would "continue to preach the eternal values" of the Bible. (*NYT*, 8/24/93)

Inconsistency

The "government is very inconsistent," said host Bill Maher on Comedy Central's talkshow *Politically Incorrect*. "They don't want a kid to watch a certain thing at 8 o'clock, but they will have funding for Robert Mapplethorpe—you know, a photo of two Mandingo bucks in a synchronized urine ballet." ("Inside the Beltway," *WT*, 8/26/93)

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Admiral Horthy

Admiral Miklos Horthy, leader of Hungary after the evil Woodrow Wilson destroyed the Austro-Hungarian Empire, was reburied in his native land on September 4th in an impressive ceremony. Described in the *New York Times* (9/5/93) as having ridden to "power on a wave of anti-Communist violence in 1920," Horthy, a soldier statesman on the Franco and Pinochet model, in fact overthrew the Bela Kun regime, one of the most vicious Communist governments in history. He was himself overthrown by Hitler in 1944.

In its story, the *Times* interviewed Hungarian publisher Gabor Berenyi about the reburial—which was approved by Hungary's Prime Minister Joseph Antall. Berenyi denounced Horthy as "very conservative" and "very nationalistic." Worse, "the main representatives of this Antall regime come from the same Gentile middle-class as Horthy."

King of Thieves

Iulian Radulescu, 54, married the mother of his four children last summer in an Rumanian Orthodox cathedral in Transylvania. During the ceremony, he was invested with a crown of 40 gold coins and acclaimed as "emperor of the Gypsies from everywhere." But his new wife did not dare take his hand during the ceremony. "Man is our master. I am his subordinate," Empress Vereoleana said. (*WT*, 8/93)

The Anti-Dilution League

Jonathan Preston Haynes has been jailed and scheduled for a psychiatric evaluation after saying he killed a plastic surgeon near Chicago. "He condemned people who made people look more Aryan, he condemned people who manufactured blue contact lenses," said a policeman. Such people, said Haynes, "dilute Aryan beauty." Haynes also said he killed a San Francisco hairdresser in 1987 because he died dark hair blond. Haynes was "very cooperative" and "very articulate," said the policeman. He only asked that he not be "found insane by a Jewish psychiatrist." (*WT*, 8/10/93)

The Name Game

Leah Westbrook and Roger Appleby were married by the Rev. Diane Burks in Manhattan's Pet Department Store in mid-August. They then changed their name to a combined Applebrook.

If this marks a trend, why not Mr. and Mrs. Westby? Or, since the bride was married before

More Quotes That Need No Comment

The way that Panama handles the [Canal Zone] property . . . is seen by many as a test of Panama's ability to manage the canal. It is a test, in the view of some, that Panama is failing so far: Much of the property that has already reverted is neglected, abandoned or falling into disrepair.

The Panama Canal train network, turned over to local control in 1979, no longer functions; rusted cars lie scattered along overgrown tracks in what was once a part of the U.S. Canal Zone.—*Los Angeles Times*

A new nationwide survey of female rabbis indicates that 70 percent have experienced sexual harassment in connection with their work.—*New York Times*

These well-meaning [U.S.] policies will only help to re-create the situation that led to the food shortage in Somalia in the first place . . . it will have the effect of undermining Somali agriculture, hobbling commercial distribution networks and keeping the country dependent on imported food. CARE alone has sold $5 million worth of wheat flour in the Somali market . . . . The [CARE] spokesman conceded that CARE would do better to use cash to pay Somali workers, rather than food, but he remarked that it's much easier to get donations of food than it is to get cash. Food is plentiful and in surplus around the world. Cash is tight . . . .

CARE now has 5,200 Somalis receiving food and involved in public works projects. None of the projects will lead to full-time employment or become self-sufficient . . . . Africa is littered with the ruins of such projects.—Michael Maren, *New York Times*

They'll probably use the speeches of the sheik, and his religious teachings, to say it was likely he was involved in a conspiracy to overthrow the Government. I think it's wrong. It's also risky with a jury, since there's a tradition in this country that we don't prosecute because of a person's beliefs, and some jurors take that very seriously.—Michael Deutsch, New York defense lawyer

NAFTA is a fraud. It is not a free trade treaty at all, but an insider's deal among the transnational elites of three countries.—Pat Buchanan, *USA Today*

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and her maiden name was Steuernagel, why not Steuerby or Applenagel?

Mugging the UDC

Jude Wanniski, the most statist of supply-siders, wrote to the *Washington Times* (8/21/93) to denounce a column of editor Wes Pruden's. In discussing Senator Carol Mosely-Braun's attack on the United Daughters of the Confederacy, Pruden wrote about "lunatics in high places," called Braun a "woman of sluggish intellect," and criticized her "tantrum" and "dance of ignorance." This showed, said Wanniski, "utter contempt for the sensitivities of African-Americans."

Braun looks on the Confederate flag "the way the Jews the world over contemplate the Nazi swastika," said Wanniski. "The Senate would have been cowardly not to have heard her anguished plea." In fact, the Senate confirmed once again that the only people who are not allowed to have a history are white Southerners.

Dehorsing Teddy

In front of the American Museum of Natural History in New York stands a famous mounted statue of Teddy Roosevelt, sculpted by James Earle Fraser (who also designed the beautiful Indian Head nickel). Standing beside Teddy are an Indian in a loinclothand a black with broken chains around his ankles. The statue, designed to symbolize racial harmony in freedom (under TR, of course), has stood in front of the museum since 1940. But now it is under attack.

Two Indians, Chief Osceola Townsend of the Matinecock Nation of Long Island (a heavily black tribe) and his "Warrior Assistant" Okena Littlehawk want the statue taken down at a cost to city taxpayers of $500,000 because it is "offensive" to Indians and blacks. Why? Roosevelt is on a horse, and therefore higher than the other two figures, who are standing. For depicting "our ancestors" as "looking up towards the enemy," it deserves to be destroyed, says the chief.

Or, he says, statues of blacks and Indians on horseback could be added, again at city expense. But this would be ridiculous, said John Gable of the Theodore Roosevelt Association, since black slaves and New York Indians didn't ride horses. "Are we going to have to go through every part of every museum and remove everything that offends a few selfish people?" he asks. Yes, John, that's exactly right.

Added Tweed Roosevelt, Teddy's great-grandson, "If we run a world to offend nobody, we would live in a colorless empty world in which boredom governs, nobody thinks, and the only form of public art is a great block of ice." (*Upper West Side Resident*, 7/8/93) ■

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